



Commonwealth Land Title Insurance Company
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June 5, 2003

Stephen M. Goldberg, Esq.
Tydings & Rosenberg LLP
100 E. Pratt Street, 26th Floor
Baltimore, MD 21202

Re: 5205 –5241 Frederick Avenue, Baltimore City, MD (the “Property”) – Wyndholme Village, LLC v. NADIF of Wyndholme, LLC – Civil Action No. L01-3809 in the United States District Court for the District of Maryland (the “District Court Case”)

Dear Mr. Goldberg:

At your request as counsel to the Substitute Trustees, I have reviewed of the above referenced District Court Case and specifically the Motion to Amend the Complaint (the “Motion”). Please be advised that based upon our Company’s current underwriting requirements as they pertain to the insurability of the fee simple title to the Property, Commonwealth Land Title Insurance Company (“Commonwealth”) is not in a position to insure the successful purchaser at the foreclosure sale. This conclusion is based upon the fact that this case, among other issues, raises serious challenges to the validity, priority and enforceability of the deed of trust, which is the subject of the foreclosure action.

As previously communicated to you, Commonwealth will not insure title for any successful purchaser at foreclosure unless, among other requirements, the priority and validity of the deed of trust which is the subject of the foreclosure is free from any contemporaneous and/or collateral attacks against or challenges to the validity, priority and/or enforceability of the lien of the deed of trust and/or challenges to the validity of the foreclosure proceedings. Specifically, the Motion represents this type of challenge by raising issues such as the validity, priority, enforceability of the secured lien.

Accordingly, at such time that these issues have been resolved by a final determination of the Court, and all the rest of our requirements have been met, then please contact me to discuss our willingness to insure the title to the Property.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Christopher F. Naughten', written over a horizontal line.

Christopher F. Naughten
AVP - Commercial Counsel

cc: Robert C. Brannan, Esq.